FBC Tool Supports Implementation of the National Defense Authorization Act (FY 2009)

- "The Secretary of Defense shall develop and implement a methodology to enable the implementation of a fuel efficiency key performance parameter in the requirements development process for the modification of existing or development of new fuel consuming systems."

- "The Secretary of Defense shall require that the life-cycle cost analysis for new capabilities include the fully burdened cost of fuel during analysis of alternatives and evaluation of alternatives and acquisition program design trades."

- "In the case of analyses and force planning processes that are used to establish capability requirements and inform acquisition decisions, the Secretary of Defense shall require that analyses and force planning processes consider the requirements for, and vulnerability of, fuel logistics"

The FBC tool cost methodology has been approved by the Office of the Deputy Assistant Secretary of the Army Cost and Economics (DASA-CE)

Stakeholders

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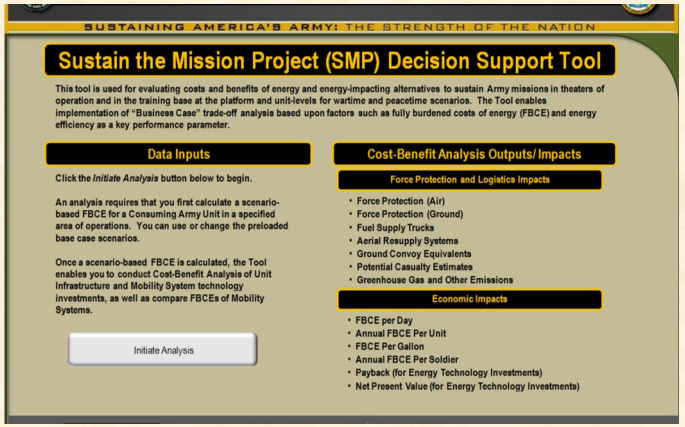
Fully Burdened Cost (FBC) Tool



US Army LOGISTICS INNOVATION AGENCY

As of June 12

FBC tool Description

The Fully Burdened Cost Tool employs a scenario, OPTEMPO and force dependent methodology to estimate the fully burdened cost of energy (FBCE) with a capability to compare impacts of energy technology trade-offs and produce metrics useful for cost - benefit analyses. The FBC tool will be ported to an Access database environment in 2012. In December of 2012 an Access FBC tool will be distributed with the additional capabilities of estimating the fully burdened cost of water (FBCW) and examples of fully burdened cost of waste (FBCWaste) estimates.

In FBC Tool Version 3.5.3

Forces:
- Heavy Brigade Combat Team
- Combat Aviation Brigade
- Infantry Brigade Combat Team
- Stryker Brigade Combat Team, Battalion & Platoon
- Sustainment Brigade

Scenarios:
- Iraq
- Afghanistan
- Domestic Emergency Response (Army National Guard)
- Training Base (Ft. Carson, Ft. Campbell, Ft. Lewis, Korea)

Examples:
- Advanced Medium Mobile Power Source (AMMPS)
- Blackhawk Helicopter
- Generic System Comparison
- Initial Deployment Cost

FBC Tool Analysis Outputs Appropriate for Cost Benefit Analyses (Scenario & Force Dependent)

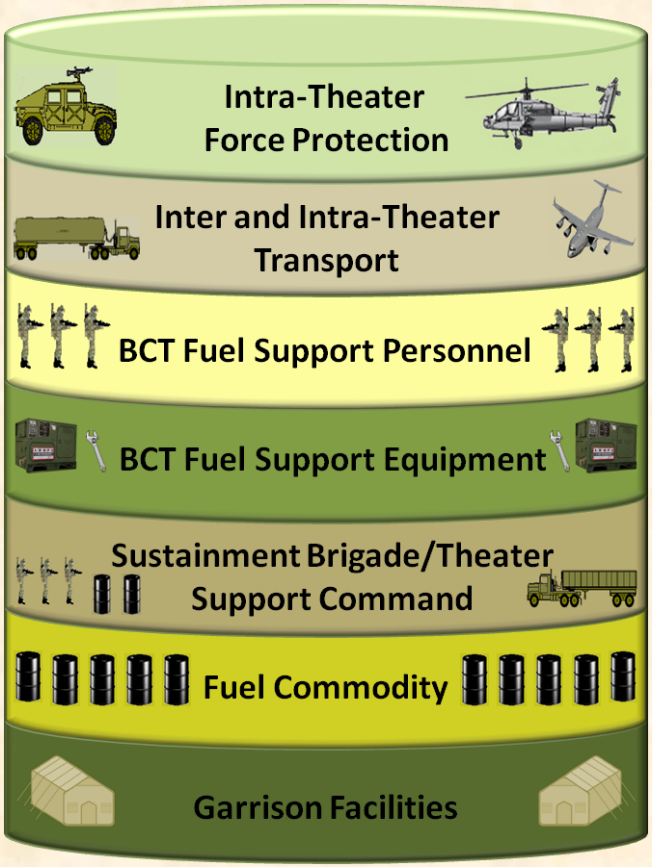
Force Protection and Logistical Impacts (Energy Efficiency as a key performance parameter)
- Fuel Resupply Convoy Threat Exposure (hours avoided)
- Fuel Consumption (gallon savings)
- Fuel Supply Truck miles (freed up)
- Gun Truck miles and Aviation System hours (freed up)
- Ground Convoy Equivalents (freed up)
- Potential casualties (avoided)
- Greenhouse Gas and other Emissions (tons avoided)

Fully Burdened Costs of Fuel
- Dollars per Gallon
- Dollars per Soldier
- Dollars per Unit per Scenario Phase

Economic Value Added of Energy Technology Investments

The FBC Tool is For Official Use Only (FOUO)

Monetary FBCE components



FBCE Monetary Output Includes:

- $/gallon
- $/soldier
- $/unit/phase